

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6185
BILL NUMBER: HB 1033

NOTE PREPARED: Nov 16, 2007
BILL AMENDED:

SUBJECT: Student Aid.

FIRST AUTHOR: Rep. Battles
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill eliminates the State Student Assistance Commission's time limit for eligibility for state grant assistance. It makes corresponding changes in related sections of the Indiana Code. The bill repeals a provision that limits the eligibility for state student grant assistance beyond ten years.

Effective Date: July 1, 2008.

Explanation of State Expenditures: Under current state law a person granted assistance by the State Student Assistance Commission of Indiana (SSACI) is ineligible to receive assistance ten years after the initial award is granted. In 2007, SSACI had 9,097 students affected by the ten-year rule. Based on prior experience, about 2,250 students might use the award. Using an average grant cost of about \$3,100, the maximum annual cost could be about \$6.975 M. The grants awarded by SSACI are limited to available appropriations.

The impact would be different for full-time and part-time students. If the bill increased the number of students eligible for full-time awards, then the increase in the award from the prior year provided by SSACI might be less. If the bill increased the number of students eligible for part-time awards, then universities might have to reduce the dollar amount of the part-time grants. SSACI provides universities a set dollar amount for part-time students, and the university determines eligibility and the amount of the award.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Student Assistance Commission.

Local Agencies Affected:

Information Sources: Laurie Gavrin, State Student Assistance Commission, 234-5134.

Fiscal Analyst: Chuck Mayfield, 317-232-4825.